GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:19
ANSWERED ON:22.11.2012
DEBTS OF NTPC
Sugavanam Shri E.G.

Will the Minister of POWER be pleased to state:

(a) whether the National Thermal Power Corporation Limited (NTPC) is incurring mounting debts in the last few years;

(b) if so, the details thereof for the last three years;

(c) whether any steps have been taken to reduce the debt burden and also to improve its turnover and profitability;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) : As approved by the NTPC Board, the company finances its Capital Expenditure (CAPEX) in a debt:equity ratio of 70:30. As per the Balance Sheet as on 31.03.2012, the debt:equity ratio stands at 0.69:1 which is within the ratio approved by the NTPC Board. NTPC thus has a very Low Gearing Ratio.

The total capex vis-Ã -vis debt deployed for the last three years is detailed below:

(In Crores)

Year	Capex	Debt	Equity
2009-10	10467.13	5086.73	5380.40
2010-11	12955.63	8668.68	4286.95
2011-12	15993.52	9784.04	6209.47

(c) : As the debt deployed in capex is within the desired ratio no steps are required to reduce the debt.

(d) & (e) : Do not arise in view of (c) above.